

THE REVISED SCHOOL CODE (EXCERPT)
Act 451 of 1976

***** 380.1212 THIS SECTION IS AMENDED 91 DAYS AFTER ADJOURNMENT OF THE 2016
REGULAR SESSION SINE DIE: See 380.1212.amended *****

380.1212 Sinking fund; creation; purpose; tax levy; audit; submission of proposition to school electors; election; ballot; approval.

Sec. 1212. (1) If approved by the school electors of the school district, the board of a school district may levy a tax of not to exceed 5 mills on the state equalized valuation of the school district each year for a period of not to exceed 20 years, for the purpose of creating a sinking fund to be used for the purchase of real estate for sites for, and the construction or repair of, school buildings. The sinking fund tax levy is subject to the 15 mill tax limitation provisions of section 6 of article IX of the state constitution of 1963 and the property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a. A school district that levies a sinking fund tax under this section shall have an independent audit of its sinking fund conducted annually, including a review of the uses of the sinking fund, and shall submit the audit report to the department of treasury. If the department of treasury determines from the audit report that the sinking fund has been used for a purpose other than those authorized for the sinking fund under this section, the school district shall repay the misused funds to the sinking fund from the school district's operating funds and shall not levy a sinking fund tax under this section after the date the department of treasury makes that determination.

(2) The proposition of levying a sinking fund tax shall be submitted to the school electors of the school district at a regular or special school election.

(3) The question of levying taxes for the purpose of creating a sinking fund shall be by ballot in substantially the following form:

"Shall _____ levy _____ mills
(legal name of school district)
to create a sinking fund for the purpose of _____

_____ for a period of _____ years?

Yes ()

No ()".

(4) For the purposes of this section, millage approved by the school electors before December 1, 1993 for which the authorization has not expired is considered to be approved by the school electors.

History: 1976, Act 451, Imd. Eff. Jan. 13, 1977;—Am. 1993, Act 312, Eff. Mar. 15, 1994;—Am. 2003, Act 299, Eff. Jan. 1, 2005.